

<p style="text-align: center;">Section 7.1-2 Ordinance of the Town of Clayton Adopting a Real Property Tax</p>
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7.1-2.1 Definitions

For the purpose of this Ordinance, the following words and phrases shall have the meanings respectively ascribed to them by this section:

- a. Person – the term “person” includes corporations, companies, associations, trustees, business trust, firms, partnerships, societies and joint stock companies, as well as individuals.
- b. Tax Year – the term “tax year” means the fiscal year beginning July 1 of each calendar year and ending June 30 of the following calendar year.

7.1-2.2 Levy of Tax

Every person owning real property, including land and improvements within the Town limits of the Town of Clayton on January 1, shall pay a tax upon such property except upon such property that may be exempt from taxation under Delaware law and under the laws and the Charter of the Town of Clayton.

7.1-2.3 Assessment of Tax

- a. Such tax on real property shall be based on the assessed value thereof as lawfully determined by the Town of Clayton Assessor’s Office or in conformity with Chapter 11 of Title 22 of the Delaware Code and with Section 7.1 of the Town Charter.
- b. Real property shall be assessed as of January 1 of the current tax year and taxes shall be levied thereon in the manner and at the time provided in this Chapter.
- c. In accordance with Article VII of the Town Charter, a copy of the assessment roll shall be prepared and submitted to the Council at least sixty (60) days before the beginning of the tax year. Upon approval of the Council, the roll as prepared or

as modified by the Council will be posted for the public in a place in the Town designated by the Council at least 45 days before the beginning of the tax year.

7.1-2.4 Rate of Tax

Except as exempted by Ordinance or as otherwise provided for, all real property shall be subject to a tax upon 100 percent of its fair market value determined in the manner provided by this Chapter, at a rate of \$0.75 per \$100 of the assessed full market value.

7.1-2.5 Due Date

The real property tax shall be due and payable by September 30 after the end of the tax year.

7.1-2.6 Penalty for Unpaid Taxes

If all or any part of the tax assessed against a property has not been paid on or before September 30, the owner of such property shall be liable for a penalty of one percent (1%) of the unpaid balance of such tax for each month thereafter until the tax is paid in full.

7.1-2.7 Lien

A lien in favor of the Mayor and Town of Clayton in the amount of any unpaid tax and penalty shall attach and become effective with respect to each property on the date such tax and penalty shall become due and payable, and shall remain in effect until such tax and penalty has been paid.

7.1-2.8 Appeals

In accordance with Article VII of the Town of Clayton Charter, the Council shall hold a Court of Appeals each year at least thirty (30) days before the beginning of the tax year. Any taxpayer or owner who may deem himself or herself aggrieved by an assessment made under this Chapter may appeal from that assessment provided notice of such appeal is given to the Town ten (10) days before the next Town Court of Appeals session.

7.1-2.9 Severability

If any section, subsection, paragraph, or other provision of this Ordinance or its application to any person or circumstances shall be held invalid or unconstitutional, such holding shall not affect the validity of any other section, subsection, paragraph, or other provision or its application to other persons or circumstances. The Town Council hereby expresses the intent that it would have enacted the other provisions of this Ordinance as if the invalid or unconstitutional provision was not contained therein.

7.1-2.10 Exemptions

- a. Any property belonging to the State, or the United States, or any county of the State of Delaware, or owned by the Town and held for public use, or belonging to any church or religious society, and not held by way of investment, or belonging to any college or school and used for educational or school purposes shall not be liable for taxation and assessment under this Section.
- b. A property owner may apply for a claim of exemption from property taxes for the current calendar year by completing an application no sooner than January 1 and no later than April 30 of each year. The application must include documentation from the Internal Revenue Service, the State of Delaware and/or Kent County indicating the name and Employer Identification Number (EIN) of the organization, the contact information of the organization administrator and a copy of the deed or other document demonstrating property ownership by the organization.
- c. After the initial year for which the real property has qualified for an exemption, a claim for an exemption shall be filed annually on or before April 30, together with a document from the organization certifying that it continues to maintain its tax exempt status.

- d. This subsection shall apply to property owned in fee simple or leased or rented for a period of one year or more to a qualified tax-exempt organization under this subsection, the lease or rental agreement being in force at the time the exemption is claimed.